3.5(c)

3.3(h)(2)

4 April 1960

Copy No. C 68

# CENTRAL

# INTELLIGENCE

# BULLETIN



DOOUMENT NO.

NO CHANGE IN CLASS.

DEGLASSIFIED

CLASS. CHANGED TO: TS & C

MEXT REVIEW DATE:

AUTH: HR 70-2

DAFE: JUN 1980 BEVIEWER:

### TOP SECRET

Approved for Release: 2020/03/13 C02977771



#### 4 APRIL 1960

#### I. THE COMMUNIST BLOC

Comment on Khrushchev - De Gaulle communiqué.

#### II. ASIA-AFRICA

1

3

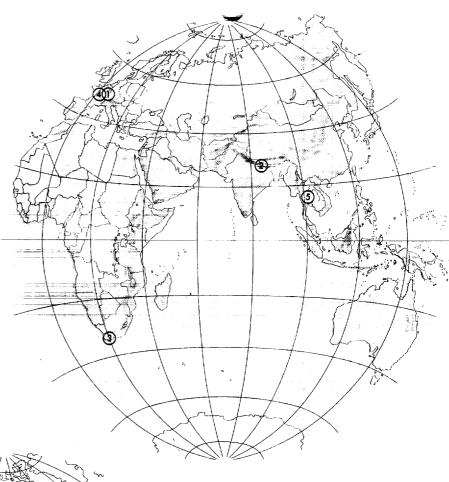
③

Nepal accepts Soviet offer to make survey for a road across its southern plain. ②

South Africa--General strike weakened in some areas; disturbances may abate for time being.

Discussions believed taking place on resumption of UAR-French relations.

Thailand--Government may participate in trade tour of Eastern European countries.





#### - SECRET

Approved for Release: 2020/03/13 C02977771

Approved for Release: 2020/03/13 C02977771

### CENTRAL INTELLIGENCE BULLETIN

4 April 1960

#### DAILY BRIEF

SIRAB

#### I. THE COMMUNIST BLOC

USSR-France: Soviet efforts to appear responsive to French views, while maintaining pressure for a German peace treaty, are reflected in the Khrushchev - De Gaulle communique and in Khrushchev's final remarks in France. Khrushchev attempted to demonstrate flexibility in agreeing to a "progressive settlement" of the German question on the basis of "agreements following negotiations." However, he sought to sharpen the warning of a separate German peace treaty by spelling out at his press conference the consequence of such action for the Western powers. The communique contains no evidence of changes in basic positions on East-West questions. Agreements were made to initiate new trade, cultural, and scientific exchanges, and for a return visit by De Gaulle.

#### II. ASIA-AFRICA

Nepal-USSR: Nepal has accepted a Soviet offer to make a survey for a road across the southern plain, the full length of the country. The work will begin in October and take about a year. At present, east-west travel overland is by way of Indian territory. The acting prime minister conceded that acceptance of this Soviet offer makes it almost certain that the Russians will be permitted to build the road, should they so offer.

(Page 3) (Map)

South Africa: Isolated anti-apartheid demonstrations continue in South Africa despite stringent security measures. The general strike has weakened in several areas, however, and in Johannesburg most Africans returned to work on 2 April. The embassy in Cape Town observes that if a majority of workers return to their jobs on Monday the disturbances may abate for the

i <del>SECRET</del>

time being. The government is expected shortly to announce a revised system of identification passes, whereby Africans will have to produce documentation only on special occasions such as applications for employment.

UAR-France: New discussions on the resumption of UAR-French diplomatic relations are believed to be taking place in Paris. Nasir has said that, if France would agree to treat the UAR on the same basis as Israel in the matter of arms sales, it would be possible to agree on other problems. He indicated that the question of Algeria would not be an insurmountable ob-(Page 4)

Thailand: The Thai Government is said to be considering official participation in a trade promotion tour of European bloc countries -- possibly including the USSR--which now is being organized by influential Thai business leaders.

Premier Sarit believes that government representation in the delegation should be sizable so that there 0 would be no question that it was traveling with official approval. Sarit probably hopes this gesture will underscore his dissatisfaction with the level of United States economic and military aid. (Page 5)

4 Apr 60

DAILY BRIEF

ii

#### I. THE COMMUNIST BLOC

#### Khrushchev - De Gaulle Talks

During his final round of talks with De Gaulle, Khrushchev apparently failed to gain any French commitments or concessions which would strengthen the Soviet position at the summit. The routine communique contains no evidence of changes in policy positions on either side. The Soviet leadership may feel, however, that it can utilize the communique's reference to the hope that the disarmament talks will reach "definite, agreed points of view on general and complete disarmament" to press the West to begin negotiating the specific measures in the Soviet plan. The reference to a mutual interest in "strengthening European security" may provide the USSR with an opening to renew proposals on this question at the summit. In his television address, Khrushchev specifically included European security in a list of the "most important international questions" and hinted that this could be a summit topic.

In his final public remarks the Soviet leader adopted a conciliatory and flexible attitude in attempting to appear responsive to French views. He limited his reference to the French atomic test to an expression of "regret," acknowledged the role of "Great France," and expressed the belief that his visit had strengthened his "optimism" over the summit. Khrushchev also attempted to demonstrate flexibility in dealing with major East-West issues by suggesting, facetiously, that disarmament might be solved in May and the Berlin problem "in June, for example." He appeared to accept the concept of protracted negotiations on the German and Berlin questions in the communique's statement recognizing a "progressive settlement of these questions on a basis agreed on through negotiations."

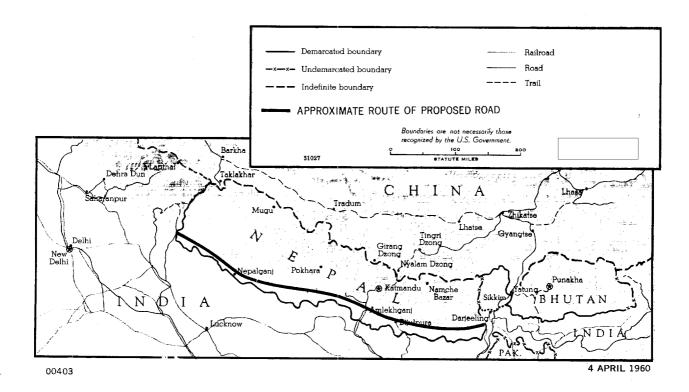
In his press conference, however, Khrushchev indicated that Moscow will continue to maintain pressure for a German settlement. In reiterating his threat to sign a separate peace treaty, he

#### **CONFIDENTIAL**

made it clear that the ''consequence'' would be the nullification of Allied rights. The timing of such action was left open and merely linked to a failure to reach an ''understanding.''

	Agreements were signed on trade, scientific, and cultura
	exchange and on peaceful uses of atomic energy, and for a re-
	turn visit by De Gaulle. The protocol on atomic energy pro-
	vides for an exchange of scientists and for studies on exchang-
	ing equipment, techniques, and experience. New trade talks
	will be held this year to establish terms for 1963-65.
-	
-	

#### -CONFIDENTIAL



#### II. ASIA-AFRICA

#### USSR to Conduct Major Survey for Nepalese East-West Road

Acting Prime Minister Subarna has confirmed press reports that Nepal has accepted a Soviet offer to make a detailed, year-long ground survey for an east-west road along the southern plain of the country. He said that although the new agreement covered only the detailed survey, scheduled to being in October, Nepal's acceptance of this Soviet offer made it almost certain the Russians will be permitted also to build the road, should they so offer. Such a road would be a major engineering challenge and have vast propaganda impact; new and extensive assistance would be required.

The Russians made a preliminary survey last year. Reports at the time indicated the King had been impressed with their efficiency and was pressing Prime Minister Koirala to accede to the Soviet offer of a more complete survey. The concept of such an east—west road, running from border to border a distance of more than 550 miles, has long been desired by Nepal's rulers. East—west travel overland now requires the use of Indian territory to the south of Nepal.

able under a \$7,500,000 grant-aid

#### CONFIDENTIAL

## UAR-French Relations Again Discussed

Sarwat Ukasha, minister for cultural affairs in the Egyptian region of the UAR, apparently has resumed discussions with French officials on the question of re-establishing UAR-French diplomatic relations. UAR readiness to reach an understanding on Israel and Algeria, heretofore the principal stumbling blocks, together with certain "straws in the wind" observed by the American Embassy in Paris, suggests that chances for a rapprochement may have improved.

mprovod.		
Nasir seems chiefly interested in weaning France away from supporting Israel militarily and in building up UAR-French commercial relations. He has indicated that Algeria would not be an insurmountable obstacle, but did not elaborate on the UAR's current attitude toward that problem. Nasir said that if France would agree to treat the UAR on a basis of equality with Israel, as in the matter of arms sales, it would be possible to achieve agreement on other issues. The French appeared ready as early as last December to make		
available an equal amount of military equipment to the UAR if they acceded to Israeli requests for additional arms. Since then there have been indications that Paris may be extending some new military aid to Israel.		
France has been seeking a rapprochement with Egypt since August 1958. Paris would, however, insist that Cairo implement the 1958 agreement to return sequestered private and cultural properties and that relations be established at the charge evel, as with Britain.		
Despite Nasir's statements, Algeria may continue to be the main stumbling block. In exchange for equal treatment of Egypt and Israel in the sale of arms, Paris probably would insist that		
Cairo reverse its anti-French line on Algeria.  In May 1959 the French and Egyptians apparently agreed that a resumption of relations depended on a cease-fire in Algeria.		

TOP SECRET

## Thai Government May Participate in Trade Promotion Tour Of Eastern European Bloc Countries

The reported plans of the Thai Government to participate officially in a trade promotion tour of the European satellites—now being organized by the chairman of the Thai Chamber of Commerce—is probably inspired more by dissatisfaction with American aid than by any hopes of developing significant new trade with the Communists.

Thai officials in recent weeks have become increasingly critical of the United States—especially American plans to sell PL-480 rice to India, slow delivery of military equipment, and what Thailand considers a disproportionate amount of aid given neutralist Cambodia and India. A trade gesture toward the Communists, together with the recent reported Thai decision to permit reopening of the TASS agency office in Bangkok, would seem designed to pressure the United States into adopting a more generous attitude. Premier Sarit, stanchly pro-US, has long been embarrassed by the coincidence that American aid has declined since he took over the government a year and a half ago.

The tour promoter believes that Sarit's active interest is all the approval he needs now to begin preparations for the trip, which he hopes can be completed in time to permit the delegation to leave Bangkok this month. Several prominent potential members of the delegation have allegedly expressed interest in including the Soviet Union on the itinerary.

Growing irritation with the United States as well as the desire to speed Thailand's economic development program may tempt Premier Sarit to a closer examination of the USSR's continuing offers of low-interest aid loans to any interested Asian nation.

#### CONFIDENTIAL

### Approved for Release: 2020/03/13 C02977771

#### THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Director, Office of Civil and Defense Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Commandant, United States Marine Corps

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

#### CONFIDENTIAL

Approved for Release: 2020/03/13 C02977771

Approved for Release: 2020/03/13 C02977771 pproved for Release: 2020/03/13 C02977771